




Big Rivers
ELECTRIC CORPORATION

Team Cumberland Presentation
April, 2016

Our Mission

Big Rivers will safely deliver competitive and reliable wholesale power and cost-effective shared services desired by the Member-Owners.

Our Vision

Big Rivers will be viewed as one of the top G&Ts in the country and will provide services the members desire in meeting future challenges.

Our Values

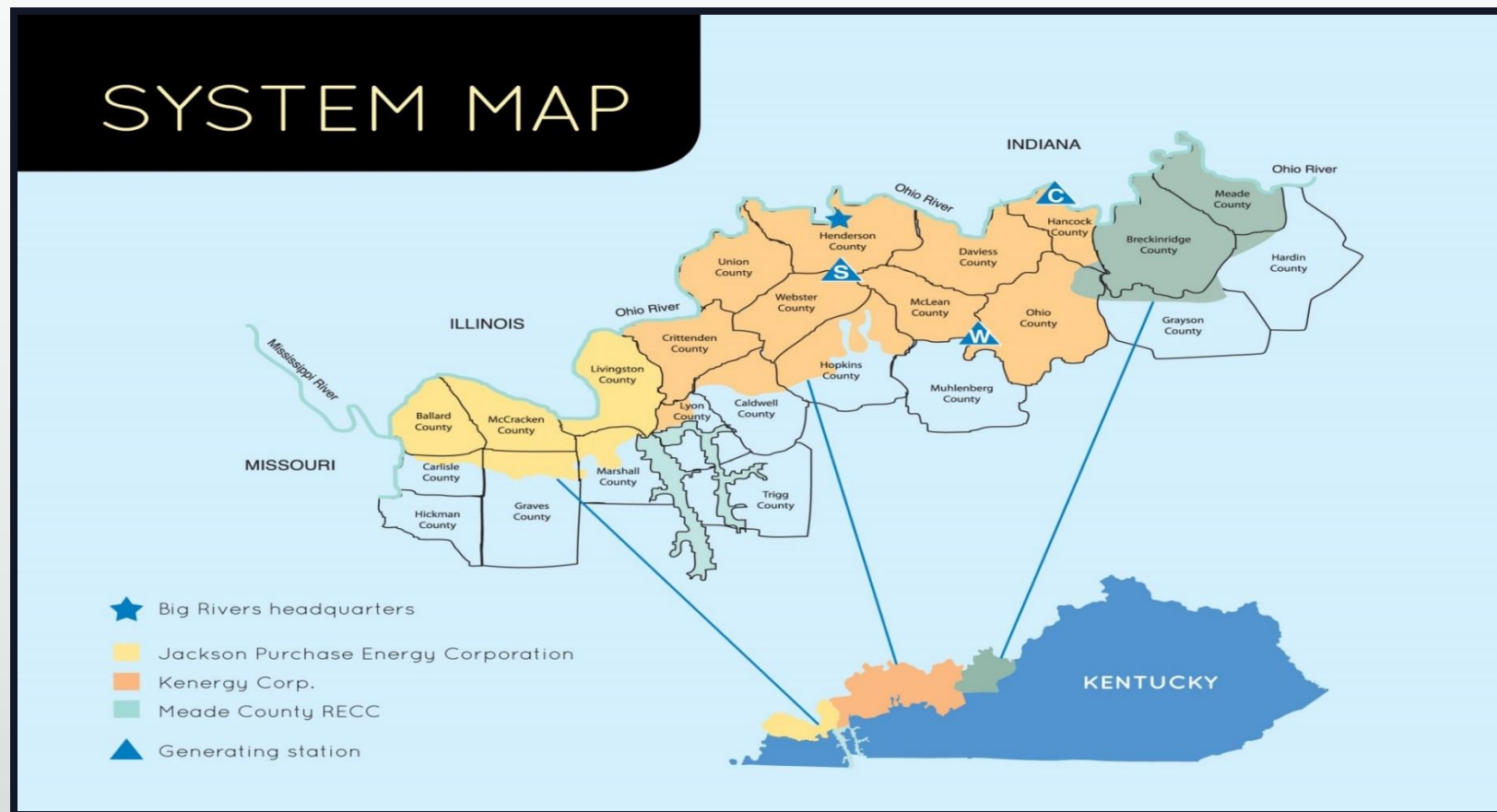
- Safety
- Integrity
- Excellence
- Member-Owners & Community Service
- Respect for Employee
- Teamwork
- Environmentally Conscious



Serving Three Member-Owner Distribution Cooperatives

- Jackson Purchase Energy Corporation
- Kenergy
- Meade County RECC

*We power 114,000 homes
and businesses in Kentucky.*



Generation & Transmission



- 1,444 MW Generating Capacity Owned
- 1,819 MW Power Capacity Available
 - Henderson Municipal Power & Light (HMP&L) Station II
 - Southeastern Power Administration (SEPA) - Hydropower
- 1,295 Miles of Transmission Lines
- 16,000 Acres of Right-of-Way
- More than 17,500 Poles
- More than 20 Substations
- Transmission Interconnections with Surrounding Utilities

Big Rivers Electric Generation Facilities



Safety First!

- Big Rivers has received 40 Governor's Safety Awards.
- That's more than any other Kentucky business!



We provide power at prices below the national average...



Big Rivers Average Retail Energy Rate:

Current Rate: 9.8 cents per kWh

Future Rate: 11.6 cents per kWh

National Average Retail Energy Rate:

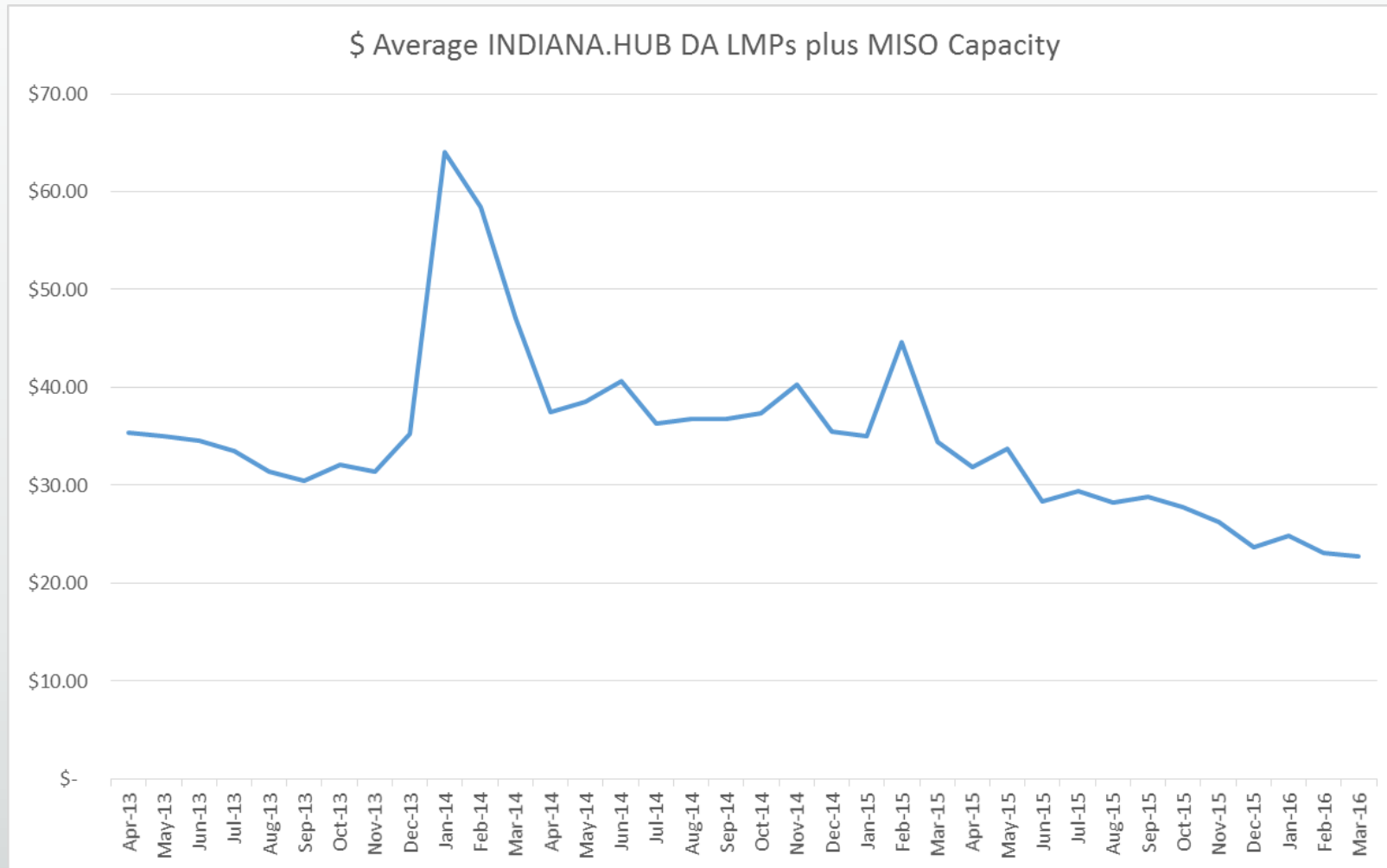
12.32 cents per kWh

Big Rivers SEPA Effective Allocation Rate climbing

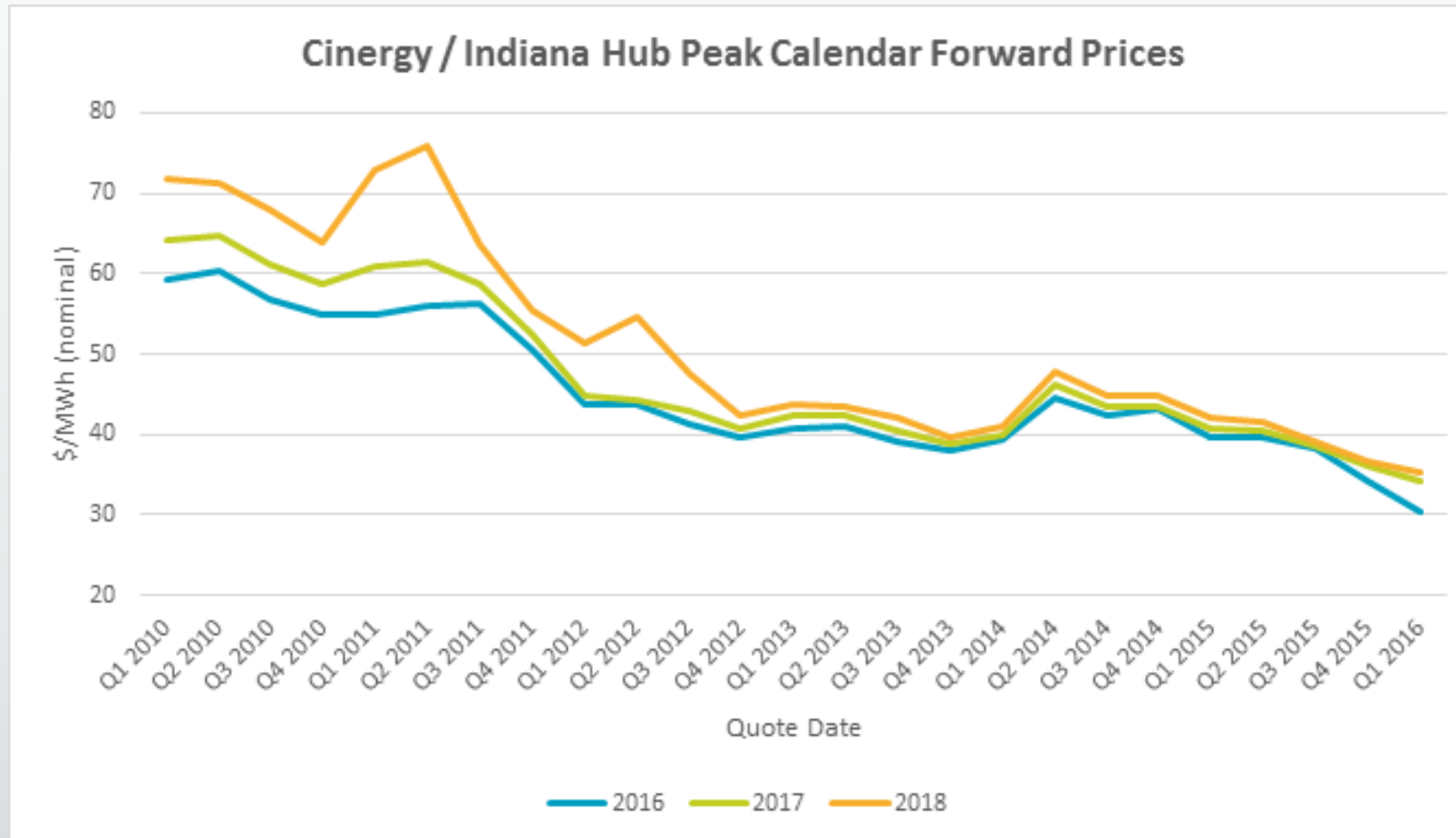
Big Rivers' Cumberland Allocation			2013	2014	2015	2016	2017	2018	2019	2020
DEMAND	MW		0	154	154	154	154	154	178	178
ENERGY	MWh		464,426	222,000	222,000	222,000	222,000	222,000	267,000	267,000
DEMAND RATE	\$/kw/Month		0	1.697	1.697	1.908	1.919	1.965	3.249	3.314
DEMAND \$ PER YEAR			\$ -	\$ 3,136,056	\$ 3,136,056	\$ 3,523,212	\$3,247,394	\$ 3,630,490	\$ 6,939,864	\$ 7,078,661
	Demand \$/MWH		\$ -	\$ 14	\$ 14	\$ 16	\$ 15	\$ 16	\$ 26	\$ 27
ENERGY RATE	\$/MWH		17.69	\$ 11.012	\$ 11.012	\$ 12.470	\$ 12.536	\$ 12.809	\$ -	\$ -
ENERGY \$ PER YEAR			\$ 8,215,696	\$ 2,444,664	\$ 2,444,664	\$ 2,767,684	\$2,785,344	\$ 2,843,666	\$ -	\$ -
	Energy \$/MWH		\$ 18	\$ 11	\$ 11	\$ 12	\$ 13	\$ 13	\$ -	\$ -
TVA TRANSMISSION PAID TO SEPA			\$ 3,131,245	\$ 3,131,245	\$ 3,661,807	\$ 3,661,807	\$3,661,807	\$ 3,661,807	\$ 3,661,807	\$ 3,661,807
	Transmission \$/MWH		\$ 7	\$ 14	\$ 16	\$ 16	\$ 16	\$ 16	\$ 14	\$ 14
Total Effective \$/MWH			\$ 24	\$ 39	\$ 42	\$ 45	\$ 44	\$ 46	\$ 40	\$ 40

Calculations based on indicative and projected rates in effect for the bulk of the calendar year – without capacity interruption credits

Big Rivers SEPA Replacement Costs Falling (historical hourly)



Big Rivers SEPA Replacement Costs Falling (forward prices)



ACES data

Questions?

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